

## Rural Utilities Service, USDA

## § 1720.2

### EXHIBIT C-2—MANAGER'S CERTIFICATE REQUIRED UNDER LOAN CONTRACT SECTION 6.14 FOR REFINANCING NOTES

On behalf on \_\_\_\_\_ [Name of Borrower] \_\_\_\_\_ I hereby certify that the Additional Note or Notes to be issued under Section [2.02] of the Mortgage on or about \_\_\_\_\_ [Date Note or Notes are to be Signed] \_\_\_\_\_ meet the requirement of Section [6.14] of the Loan Contract that the weighted average life of such Notes is not greater than the weighted average remaining life of the Notes being refinanced, as evidenced by the attached calculation of said weighted average lives.

[Signed] \_\_\_\_\_

[Dated] \_\_\_\_\_

[Name] \_\_\_\_\_

[Title] \_\_\_\_\_

[Name and Address of Borrower] \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

[60 FR 67410, Dec. 29, 1995, as amended at 65 FR 51749, Aug. 25, 2000]

### PART 1720—GUARANTEES FOR BONDS AND NOTES ISSUED FOR ELECTRIFICATION OR TELEPHONE PURPOSES

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AUTHORITY: 7 U.S.C. 901 *et seq.*; 7 U.S.C. 940C.

SOURCE: 69 FR 63049, Oct. 29, 2004, unless otherwise noted.

#### § 1720.1 Purpose.

This part prescribes regulations implementing a guarantee program for bonds and notes issued for electrification or telephone purposes authorized by section 313A of the Rural Electrification Act of 1936 (7 U.S.C. 940c-1).

[75 FR 42573, July 22, 2010]

#### § 1720.2 Background.

The Rural Electrification Act of 1936 (the “RE Act”) (7 U.S.C. 901 *et seq.*) authorizes the Secretary to guarantee and make loans to persons, corporations, States, territories, municipalities, and cooperative, non-profit, or limited-dividend associations for the purpose of furnishing or improving electric and telephone service in rural areas. Responsibility for administering electrification and telecommunications loan and guarantee programs along with other functions the Secretary deemed appropriate have been assigned to RUS under the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6941 *et seq.*). The Administrator of RUS has been delegated responsibility for administering the programs and activities of RUS, *see* 7 CFR 1700.25. Section 6101 of the Farm Security and Rural Investment Act of 2002 (Pub. L. 107-171) (FSRIA) amended the RE Act to include a new program under section 313A entitled Guarantees for Bonds and Notes Issued for Electrification or Telephone Purposes. This measure directed the Secretary of Agriculture to promulgate regulations that carry out the Program. The Secretary published the regulations for the program in the FEDERAL REGISTER as a final rule on October 29, 2004, adding part 1720 to title 7 of the Code of Federal Regulations. Section 6106(a)(1)(A) of the Food, Conservation, and Energy Act of 2008 (Pub. L. 110-246) amended section 313A of the RE Act by replacing the level of “concurrent loans” as a factor limiting the amount of bonds and notes that could be guaranteed and inserted “for eligible electrification or telephone purposes” as the limitation on the amount of bonds and notes that can be guaranteed under section 313A up to an annual program limit of \$1,000,000,000, subject to availability of funds. Section 6106(a)(1)(B) further amended section 313A of the RE Act by removing the prohibition against the recipient using an amount obtained from the reduction in funding costs as a result of a new guarantee under section 313A to reduce the interest rate charged on a new or concurrent loan.

[75 FR 42573, July 22, 2010]